

281—120.81(34CFR303) Nonsupplanting and payment for services. Part C funds shall be used to supplement the level of state and local funds expended for eligible children and their families for Early ACCESS, and in no case to supplant those state and local funds. To meet the requirements of nonsupplanting, the total amount of state and local funds budgeted for expenditures in the current fiscal year for early intervention services for eligible children and their families under Early ACCESS must be at least equal to the total amount of state and local funds actually expended for early intervention services for these children and their families in the most recent preceding fiscal year for which the information is available. Allowance may be made for:

1. Decreases in the number of children who are eligible to receive early intervention services under Early ACCESS; and

2. Unusually large amounts of funds expended for such long-term purposes as the acquisition of equipment and the construction of facilities. [34 CFR 303.124]

Proceeds from public or private insurance are not treated as program income for purposes of calculating nonsupplanting requirements. If a public agency spends reimbursements from federal funds such as Medicaid, or uses private insurance payments for early intervention services, these funds also shall not be considered state or local funds for purpose of the nonsupplanting requirements. Nothing in these rules should be construed to alter the requirements imposed on a state Medicaid agency, or any other agency administering a public insurance program by federal statute, regulations or policy under Title XIX or Title XXI of the Social Security Act, or any other federal insurance program. [34 CFR 303.520(d); 303.527(c)]